

**Council Meeting: June 28, 2011****SUBJECT: Approval of Budget Modification No. 38 to Appropriate Funds to the Department of Public Safety Operating Budget****BACKGROUND**

The FY 2010/2011 operating budget for the Department of Public Safety reduced the number of sworn officers by nine in comparison to FY 2009/2010. Four of these nine sworn positions were to be replaced with civilian Community Services Officers. This transition was anticipated to be able to be accommodated through attrition of sworn officers; however, this attrition has not occurred as planned. As a result, it is anticipated the department will exceed its current budget appropriation by approximately \$550,000. Approval of Budget Modification No. 38 is requested to cover this anticipated budget overrun.

DISCUSSION

Nine sworn officers were anticipated to retire and separate from employment with the City during the fiscal year based on historical attrition patterns. This attrition has not occurred as planned, as sworn staffing is currently five officers above the number budgeted.

While the attrition of sworn officers has been delayed, it is starting to occur with more frequency. Going forward, the FY 2011/2012 Recommended Budget contains an additional reduction of six sworn positions that will be replaced by civilian Community Services Officers. The timing of this replacement will depend on rates of attrition of sworn personnel to better enable the department to stay within its budgeted appropriation in FY 2011/2012. As sworn headcount attrition reaches planned levels, implementation of the civilian professional model will get underway.

FISCAL IMPACT

The requested increase to cover additional staffing costs will be distributed in multiple programs and activities in the Department of Public Safety for FY 2010/2011. Budget Modification No. 38 has been prepared to appropriate \$550,000 from the General Fund's Budget Stabilization Fund to cover the anticipated expenditure overages. Based on the most recent projections of final operating expenditures in the General Fund, staff estimates that there will be enough savings in other General Fund operating programs to absorb this additional appropriation without negatively impacting the Budget Stabilization

Fund's position as it was presented to Council in the FY 2011/2012 Recommended Budget.

**BUDGET MODIFICATION NO. 38
 FISCAL YEAR 2010/2011**

General Fund	<u>Current</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
<u>Expenditures:</u>			
Department of Public Safety Operating Budget	\$70,429,249	\$550,000	\$70,979,249
<u>Reserves:</u>			
Budget Stabilization Fund	\$35,577,352	(\$550,000)	\$35,027,352

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and the Office of the City Clerk.

ALTERNATIVES

1. Approve Budget Modification No. 38 to appropriate \$550,000 to the Department of Public Safety operating budget for FY 2010/2011 to cover anticipated cost overruns.
2. Do not approve Budget Modification No. 38.

RECOMMENDATION

Staff recommends Alternative #1: Approve Budget Modification No. 38 to appropriate \$550,000 to the Department of Public Safety operating budget for FY 2010/2011 to cover anticipated cost overruns.

Reviewed by:

Dayton Pang, Interim Director, Public Safety
 Prepared by: William P. Bielinski, Sr. Management Analyst

Reviewed by:

Grace Leung
Director, Finance

Approved by:

Gary M. Luebbers
City Manager